

1-1 By: Oliveira (Senate Sponsor - Lucio) H.B. No. 4029  
 1-2 (In the Senate - Received from the House May 5, 2017;  
 1-3 May 5, 2017, read first time and referred to Committee on Natural  
 1-4 Resources & Economic Development; May 21, 2017, reported  
 1-5 adversely, with favorable Committee Substitute by the following  
 1-6 vote: Yeas 7, Nays 2, 1 present not voting; May 21, 2017, sent to  
 1-7 printer.)

1-8 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-9				
1-10	X			
1-11	X			
1-12				X
1-13	X			
1-14			X	
1-15	X			
1-16		X		
1-17	X			
1-18	X			
1-19	X			
1-20		X		

1-21 COMMITTEE SUBSTITUTE FOR H.B. No. 4029 By: Rodríguez

1-22 A BILL TO BE ENTITLED  
 1-23 AN ACT

1-24 relating to the use of municipal hotel occupancy tax revenue by  
 1-25 certain municipalities.

1-26 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-27 SECTION 1. The heading to Section 351.1054, Tax Code, is  
 1-28 amended to read as follows:

1-29 Sec. 351.1054. ALLOCATION OF REVENUE: ELIGIBLE BARRIER  
 1-30 ISLAND COASTAL MUNICIPALITY [FOR ECOLOGICAL TOURISM AND SPACECRAFT  
 1-31 AND SPACEPORT ACTIVITIES BY CERTAIN MUNICIPALITIES].

1-32 SECTION 2. Sections 351.1054(b) and (c), Tax Code, are  
 1-33 amended to read as follows:

1-34 (b) Notwithstanding any other provision of this chapter, an  
 1-35 eligible barrier island coastal municipality may use revenue from  
 1-36 the municipal hotel occupancy tax for:

1-37 (1) promotional and event expenses for an ecological  
 1-38 tourism event, including an event for which the primary attraction  
 1-39 is traveling to an area of natural or ecological interest for the  
 1-40 purpose of observing and learning about wildlife and the area's  
 1-41 natural environment, if:

1-42 (A) a majority of the event's participants are  
 1-43 tourists; and

1-44 (B) the event substantially increases economic  
 1-45 activity at hotels and motels within or in the vicinity of the  
 1-46 municipality; ~~and~~

1-47 (2) expenses directly related to:

1-48 (A) the acquisition of sites to observe  
 1-49 spacecraft and spaceport activities; and

1-50 (B) the construction, improvement, enlarging,  
 1-51 equipping, repairing, operation, and maintenance of facilities  
 1-52 utilized by hotel guests to observe and learn about spacecraft and  
 1-53 spaceport operations; and

1-54 (3) expenses directly related to the construction,  
 1-55 improvement, equipping, repairing, operation, and maintenance of  
 1-56 coastal sports facilities owned by the municipality, including boat  
 1-57 docks, boat ramps, and fishing piers used by hotel guests, if:

1-58 (A) the coastal sports facilities have been used  
 1-59 in the preceding calendar year a combined total of more than five  
 1-60 times for district, state, regional, or national sports tournaments

2-1 or events; and

2-2 (B) the majority of the events at the coastal  
2-3 sports facilities are directly related to a sports tournament or  
2-4 event in which the majority of participants are tourists who  
2-5 substantially increase economic activity at hotels within or in the  
2-6 vicinity of the municipality.

2-7 (c) A municipality may use for the purposes provided by  
2-8 Subsections (b)(1), ~~[and]~~ (2), and (3) not more than the greater of:

2-9 (1) 15 percent of the hotel occupancy tax revenue  
2-10 collected by the municipality; or

2-11 (2) the amount of tax received by the municipality at  
2-12 the rate of one percent of the cost of a room.

2-13 SECTION 3. This Act takes effect immediately if it receives  
2-14 a vote of two-thirds of all the members elected to each house, as  
2-15 provided by Section 39, Article III, Texas Constitution. If this  
2-16 Act does not receive the vote necessary for immediate effect, this  
2-17 Act takes effect September 1, 2017.

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